

**Before the State of South Carolina
Department of Insurance**

In the matter of:

Stephen E. Rochester
123 Green Park Drive
Gaffney, S.C. 29341

SCDOI File Number: 125356

**Consent Order
Imposing Administrative Penalty**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and above named respondent, a licensed South Carolina insurance producer.

Upon review of this matter, I hereby find as fact, that Mr. Rochester, while licensed to do business as a resident insurance producer within the State of South Carolina, for United American Insurance Company, did fail to remit premiums collected from consumers of this State to said Insurer. The respondent acknowledges this allegation and contends this failure resulted from inadvertence and oversight and not from any intent to avoid the requirements of the Law. Nevertheless, this type of action can ultimately lead to the revocation of his license to transact the business of insurance as a resident producer in South Carolina, following a public hearing at the Administrative Law Court, pursuant to S.C. Code Ann. & 38-43-130.

Prior to the initiation of any administrative proceedings by the Department against him, Stephen Rochester and the Department agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal public hearing. The consensual recommendation was that, in lieu of the Department seeking to revoke Mr. Rochester's resident insurance producer's license, he would immediately refund the complainant, waive his right to a public hearing and pay through our Department an administrative penalty in the amount of \$500.00 dollars.

After a thorough review of the record, and pursuant to my findings of fact, I hereby conclude as a matter of law, that Stephen E. Rochester had violated S.C. Code Ann. § 38-43-130(C)(4)(Supp.2004), by..."improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business." As a result, I can now take administrative disciplinary action against his insurance producer's license. However, in view of his previously clear record, and his willingness to expeditiously refund the monies in question, I have decided to grant Mr. Rochester the benefit of the doubt, concluding that there was no malice, criminal intent, nor willful conduct involved. Therefore, under the discretionary authority provided to me by the General Assembly within S.C. Code Ann. § 38-2-10 (2)(Supp. 2004), and after carefully considering the recommendation of the parties, I hereby impose against Stephen E. Rochester an administrative penalty in the amount of \$500.00 dollars, to be paid within ten days of receipt of this consent order. If he does not timely pay the whole penalty

amount, his resident insurance producer's license will be immediately revoked without any further disciplinary proceedings.

This administrative penalty has been reached by the parties as a result of negotiation and compromise, and it is made in consideration of Mr. Rochester's assurances that in the future he will exercise more caution and fully comply with South Carolina's Insurance Laws.

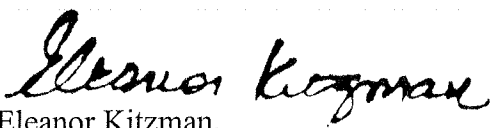
This penalty includes all expenses related to the investigation of this matter, as provided in Section 38-13-70 of the South Carolina Code of Administrative Laws. The parties expressly agree and understand payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter.

By his signature upon this consent order, Stephen E. Rochester acknowledges this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2004).

It is, therefore, ordered that Stephen Rochester shall, within ten days from the date of receipt of this consent order, pay through the Department of Insurance an administrative penalty in the amount of \$500.00 dollars.

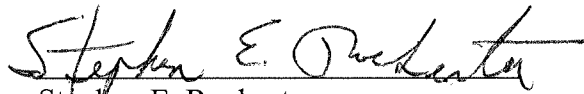
It is further ordered that a copy of this consent order be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states and a copy be placed in Mr. Rochester's licensing file.

This order becomes effective as of the date of my signature below.


Eleanor Kitzman,
Director

Aug 18, 2005, at Columbia, South Carolina.

I CONSENT:

A handwritten signature in cursive script, reading "Stephen E. Rochester". The signature is written in dark ink and is positioned above the printed name.

Stephen E. Rochester
123 Green Park Drive
Gaffney, South Carolina 29341.

Dated this 15 day of August, 2005.